

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2020-247-A

In the Matter Of)	
)	
Public Service Commission Review of)	COMMENTS
South Carolina Code of Regulations Chapter)	OF PIEDMONT NATURAL
103 Pursuant to S.C. Code Ann.)	GAS COMPANY, INC.
Section 1-23-120(J))	
)	

Pursuant to the Public Service Commission of South Carolina's ("Commission") March 18, 2021 Commission Staff Notice of Proposed Minimum Filing Requirements for Rate Case Applications ("Notice"), Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company") hereby provides notice that it intends to participate in the April 5, 2021 Workshop on the potential adoption of Minimum Filing Requirements ("MFRs") for general rate case proceedings before the Commission and submits the following comments on such proposal.

COMMENTS

At the outset of these Comments, Piedmont would note that it has previously provided the Commission with input on the proposed adoption of a requirement to file MFRs in conjunction with future general rate cases before the Commission by letter from the undersigned counsel dated March 5, 2021. In that letter, Piedmont indicated that it was familiar with and supportive of the mechanism of MFRs filed in conjunction with general rate case proceedings based on its experience with MFRs in other states. Piedmont also observed that the Florida MFRs proposed for adoption by the Commission in regards to electric and natural gas rate case proceedings in South

Carolina were, on their face, directed at electric utilities and would require some modification to be made fully applicable to natural gas utilities. Piedmont's position on these matters has not changed but Piedmont provides some additional clarification on these points below:

- Piedmont supports the development and use of MFRs in general rate proceedings before the Commission.
- Piedmont finds the recommended Florida PSC Form 1026 MFRs, which are designed to be applicable to electric utilities rather than gas utilities, are generally acceptable for use by gas utilities in South Carolina but require some modification. Specifically, modifications are needed to certain MFR items for formatting and categorization/wording in order to properly align with natural gas utility operations, natural gas utility financial books and records, natural gas customer rates and billing, and load profiles/usage by natural gas utility customers.
- Certain Florida PSC Form 1026 MFR items are not applicable to natural gas utilities such as Piedmont.
- Piedmont has provided, as an attachment hereto, its identification of the Florida PSC Form 1026 MFR items that would require formatting and categorization/wording modification in order to make them applicable to natural gas utilities, such as Piedmont, in South Carolina. The attachment also identifies the MFR items that are not applicable to natural gas utilities such as Piedmont.

- Piedmont further advises the Commission, in general, that it has no concerns with or objections to the additional filing requirements set forth in numbered paragraph 3 of the Commission's March 18, 2021 Notice.

CONCLUSION

Based upon the foregoing, Piedmont respectfully requests that the Commission accept its Comments in this proceeding as set forth above and looks forward to continued participation in this proceeding.

Respectfully submitted, this the 26th day of March, 2021.

Piedmont Natural Gas Company, Inc.

/s/ T. Richmond McPherson

T. Richmond McPherson

McGuireWoods LLP

201 North Tryon Street, Suite 3000

Charlotte, North Carolina 28202

Telephone: (704) 343-2262

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached is being served this date upon all of the parties to this docket electronically or by depositing a copy of the same in the United States Mail, First Class Postage Prepaid, at the addresses contained in the official service list in this proceeding.

This the 26th day of March, 2021.

/s/ Richard K. Goley
Richard K. Goley

ATTACHMENT

FLORIDA PUBLIC SERVICE COMMISSION

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

SCHEDULE	TITLE	Piedmont's Comments
	EXECUTIVE SUMMARY	
A-1	Full Revenue Requirements Increase Requested	
A-2	Full Revenue Requirements Bill Comparison - Typical Monthly Bills	Category/wording changes needed to align with Piedmont rate components.
A-3	Summary of Tariffs	
A-4	Interim Revenue Requirements Increase Requested	
A-5	Interim Revenue Requirements Bill Comparison - Typical Monthly Bills	
	RATE BASE	
B-1	Adjusted Rate Base	Category/wording changes needed to align with Piedmont rate base components.
B-2	Rate Base Adjustments	
B-3	13 Month Average Balance Sheet - System Basis	
B-4	Two Year Historical Balance Sheet	
B-5	Detail of Changes In Rate Base	
B-6	Jurisdictional Separation Factors-Rate Base	Category/wording changes needed to align with Piedmont utility plant groups and accounts.
B-7	Plant Balances By Account and Sub-Account	
B-8	Monthly Plant Balances Test Year-13 Months	
B-9	Depreciation Reserve Balances By Account and Sub-Account	Category/wording changes needed to align with Piedmont utility plant groups.
B-10	Monthly Reserve Balances Test Year-13 Months	Category/wording changes needed to align with Piedmont utility plant groups.
B-11	Capital Additions and Retirements	
B-12	Net Production Plant Additions	n/a for Piedmont
B-13	Construction Work In Progress	Category/wording changes needed to align with Piedmont utility plant groups.
B-14	Earnings Test	
B-15	Property Held For Future Use-13 Month Average	
B-16	Nuclear Fuel Balances	n/a for Piedmont
B-17	Working Capital-13 Month Average	
B-18	Fuel Inventory By Plant	n/a for Piedmont
B-19	Miscellaneous Deferred Debits	
B-20	Other Deferred Credits	
B-21	Accumulated Provision Accounts-228.1, 228.2 and 228.4	
B-22	Total Accumulated Deferred Income Taxes	
B-23	Investment Tax Credits-Annual Analysis	
B-24	Leasing Arrangements	
B-25	Accounting Policy Changes Affecting Rate Base	

FLORIDA PUBLIC SERVICE COMMISSION

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

SCHEDULE	TITLE	Piedmont's Comments
	NET OPERATING INCOME	
C-1	Adjusted Jurisdictional Net Operating Income	Category/wording changes needed to align with Piedmont income statement account groupings.
C-2	Net Operating Income Adjustments	Category/wording changes needed to align with Piedmont income statement account groupings.
C-3	Jurisdictional Net Operating Income Adjustments	
C-4	Jurisdictional Separation Factors-Net Operating Income	
C-5	Operating Revenues Detail	Category/wording changes needed to align with Piedmont revenue accounts and types.
C-6	Budgeted Versus Actual Operating Revenues and Expenses	
C-7	Operation and Maintenance Expenses-Test Year	
C-8	Detail of Changes in Expenses	
C-9	Five Year Analysis-Change in Cost	Category/wording changes needed to align with Piedmont functional groups for cost.
C-10	Detail of Rate Case Expenses For Outside Consultants	
C-11	Uncollectible Accounts	Category/wording changes needed to align with Piedmont uncollectibles expense.
C-12	Administrative Expenses	
C-13	Miscellaneous General Expenses	
C-14	Advertising Expenses	
C-15	Industry Association Dues	
C-16	Outside Professional Services	
C-17	Pension Cost	
C-18	Lobbying Expenses, Other Political Expenses and Civic/Charitable Contributions	
C-19	Amortization/Recovery Schedule-12 Months	
C-20	Taxes Other Than Income Taxes	
C-21	Revenue Taxes	
C-22	State and Federal Income Tax Calculation	
C-23	Interest in Tax Expense Calculation	
C-24	Parent(s) Debt Information	
C-25	Deferred Tax Adjustment	
C-26	Income Tax Returns	
C-27	Consolidated Tax Information	
C-28	Miscellaneous Tax Information	
C-29	Gains and Losses on Disposition of Plant and Property	

FLORIDA PUBLIC SERVICE COMMISSION

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

SCHEDULE	TITLE	Piedmont's Comments
C-30	Transactions with Affiliated Companies	
C-31	Affiliated Company Relationships	n/a to Piedmont
C-32	Non-Utility Operations Utilizing Utility Assets	
C-33	Performance Indices	Category/wording changes needed to align with Piedmont O&M expense account groupings.
C-34	Statistical Information	Category/wording changes needed to align with Piedmont operations, facilities and load characterization.
C-35	Payroll and Fringe Benefit Increases Compared to CPI	
C-36	Non-Fuel Operation And Maintenance Expense Compared to CPI	
C-37	O & M Benchmark Comparison By Function	Category/wording changes needed to align with Piedmont functionalized O&M expense groupings.
C-38	O & M Adjustments By Function	Category/wording changes needed to align with Piedmont functionalized O&M expense groupings.
C-39	Benchmark Year Recoverable O & M Expenses By Function	
C-40	O & M Compound Multiplier Calculation	
C-41	O & M Benchmark Variance By Function	
C-42	Hedging Costs	
C-43	Security Costs	
C-44	Revenue Expansion Factor	

FLORIDA PUBLIC SERVICE COMMISSION

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

SCHEDULE	TITLE	Piedmont's Comments
COST OF CAPITAL		
D-1a	Cost of Capital - 13 Month Average	
D-1b	Cost of Capital - Adjustments	
D-2	Cost of Capital - 5 Year History	
D-3	Short-Term Debt	
D-4a	Long-Term Debt Outstanding	
D-4b	Reacquired Bonds	
D-5	Preferred Stock Outstanding	
D-6	Customer Deposits	
D-7	Common Stock Data	
D-8	Financing Plans-Stock and Bond Issues	
D-9	Financial Indicators-Summary	
COST OF SERVICE AND RATE DESIGN		
E-1	Cost of Service Studies	Category/concept/wording changes needed to align with gas LDC operations.
E-2	Explanation of Variations From Cost of Service Study	
E-3a	Cost of Service Study-Allocation of Rate Base Components to Rate Schedule	Category/wording changes needed to align with Piedmont rate base components.
E-3b	Cost of Service Study-Allocation of Expense Components to Rate Schedule	Category/wording changes needed to align with Piedmont expense groupings.
E-4a	Cost of Service Study-Functionalization and Classification of Rate Base	Category/wording changes needed to align with Piedmont plant accounts/groups.
E-4b	Cost of Service Study-Functionalization and Classification of Expenses	Category/wording changes needed to align with Piedmont expense groupings.
E-5	Source and Amount of Revenues-At Present and Proposed Rates	Category/wording changes needed to align with Piedmont revenue accounts and types.
E-6a	Cost of Service Study-Unit Costs, Present Rates	Category/wording changes needed to align with Piedmont billing components and determinants.
E-6b	Cost of Service Study-Unit Costs, Proposed Rates	Category/wording changes needed to align with Piedmont billing components and determinants.
E-7	Development of Service Charges	
E-8	Company-Proposed Allocation of the Rate Increase By Rate Class	
E-9	Cost of Service-Load Data	Category/wording changes needed to align with Piedmont load and unit of measurement.
E-10	Cost of Service Study-Development of Allocation Factors	
E-11	Development of Coincident and Noncoincident Demands For Cost Study	Category/concept/wording changes needed to align with gas LDC operations.
E-12	Adjustment to Test Year Revenue	Category/concept/wording changes needed to align with gas LDC operations.
E-13a	Revenue From Sale Of Electricity By Rate Schedule	Title needs to be generalized for use by gas LDCs
E-13b	Revenues By Rate Schedule-Service Charges (Account 451)	
E-13c	Base Revenue By Rate Schedule-Calculations	Category/concept/wording changes needed to align with gas LDC operations.

FLORIDA PUBLIC SERVICE COMMISSION

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

<u>SCHEDULE</u>	<u>TITLE</u>	Piedmont's Comments
E-13d	Revenue By Rate Schedule-Lighting Schedule Calculation	Category/wording changes needed to align with Piedmont rate base components
E-14	Proposed Tariff Sheets and Support For Charges	Category/concept/wording changes needed to align with gas LDC operations.
E-15	Projected Billing Determinants-Derivation	Category/concept/wording changes needed to align with gas LDC operations.
E-16	Customers By Voltage Level	n/a to Piedmont
E-17	Load Research Data	n/a to Piedmont
E-18	Monthly Peaks	n/a to Piedmont
E-19a	Demand and Energy Losses	n/a to Piedmont
E-19b	Energy Losses	n/a to Piedmont
E-19c	Demand Losses	n/a to Piedmont

FLORIDA PUBLIC SERVICE COMMISSION

MINIMUM FILING REQUIREMENTS

TABLE OF CONTENTS

SCHEDULE	TITLE	Piedmont's Comments
	MISCELLANEOUS	
F-1	Annual and Quarterly Report to Shareholders	
F-2	Sec Reports	
F-3	Business Contracts with Officers or Directors	
F-4	Nrc Safety Citations	n/a to Piedmont
F-5	Forecasting Models	
F-6	Forecasting Models-Sensitivity of Output to Changes in Input Data	
F-7	Forecasting Models - Historical Data	
F-8	Assumptions	
F-9	Public Notice	
	INTERIM RATE RELIEF	
G-1	Interim Revenue Requirements Increase Requested	
G-2	Interim Adjusted Rate Base	
G-3	Interim Rate Base Adjustments	
G-4	Interim Jurisdictional Separation Factors - Rate Base	
G-5	Interim Working Capital - 13 Month Average	
G-6	Interim Fuel Inventory By Plant	
G-7	Interim Adjusted Jurisdictional Net Operating Income	
G-8	Interim Net Operating Income Adjustments	
G-9	Interim Jurisdictional Net Operating Income Adjustments	
G-10	Interim Jurisdictional Separation Factors Net Operating Income	
G-11	Interim Operating Income Detail	
G-12	Interim State and Federal Income Tax Calculation	
G-13	Interim Interest in Tax Expense Calculation	
G-14	Interim Parent(s) Debt Information	
G-15	Interim Gains and Losses on Disposition of Plant or Property	
G-16	Interim Pension Cost	
G-17	Interim Accounting Policy Changes	
G-18	Interim Revenue Expansion Factor	
G-19a	Interim Cost of Capital - 13 Month Average	
G-19b	Interim Cost of Capital - Adjustments	
G-20	Interim - Revenue From Sale of Electricity By Rate Schedule	
G-21	Interim - Revenues From Service Charges (Account 451)	
G-22	Interim - Base Revenue By Rate Schedule Calculations	
G-23	Interim - Revenue By Lighting Schedule Calculation	